

DEPARTMENT OF TRANSPORTATION**Federal Transit Administration****FTA Fiscal Year 2001 Apportionments, Allocations and Program Information**

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice.

SUMMARY: The Department of Transportation (DOT) and Related Agencies Appropriations Act for Fiscal Year 2001 (FY 2001 DOT Appropriations Act) (Pub. L. 106-346) was signed into law by President Clinton on October 23, 2000, and provides FY 2001 appropriations for the Federal Transit Administration (FTA) transit assistance programs. Based upon this Act, and the Transportation Equity Act for the 21st Century (TEA-21), on November 3, 2000, FTA published, on its website, a list of apportionments and allocations for transit programs--excluding the FY 2001 Bus allocations for the Section 5309 Capital Investment Program. Publication of the "FTA Fiscal Year 2001 Apportionments, Allocations and Program Information Notice" in the Federal Register was delayed pending the completion of the appropriation process by Congress.

The FY 2001 Omnibus Consolidated Appropriations Act (Pub. L. 106-554), which was signed by the President on December 21, 2000, contains provisions that impact the level of funding made available to FTA in the FY 2001 DOT Appropriations Act and cause the FY 2001 apportionments and allocations previously published on the website to change. More specifically, the FY 2001 Omnibus Consolidated Appropriations Act contain the following provisions relative to FTA programs in this fiscal year: 1) *Section 1403(a) Government-Wide Rescission*, which rescinds an amount equal to .22 percent of the discretionary budget authority is to be applied to programs, projects, and activities; 2) *Section 1108*, which directs that funding for the Clean Fuels Formula Grant program under 49 U.S.C. 5309(m)(3)(C) does not apply to funds made available in the FY 2001 DOT Appropriations Act; and 3) *Sections 1105, 1107, and 1123*, which appropriate from the Mass Transit Account of the Highway Trust Fund, \$1,000,000 for Southeast Light Rail Extension Project, in Dallas, TX, \$3,000,000 for the Newark-Elizabeth rail link project in New Jersey, and \$500,000 for Alabama A&M University buses and bus facilities, respectively.

This notice includes the apportionment of FY 2001 funds made available in the FY 2001 DOT Appropriations Act--adjusted in accordance with the applicable provisions of the FY 2001 Omnibus Consolidated Appropriations Act--for the: Metropolitan Planning

Program and State Planning and Research Program; Urbanized Area Formula Program; Nonurbanized Area Formula Program; Rural Transit Assistance Program; Elderly and Persons with Disabilities Program; and the Capital Investment Program for Fixed Guideway Modernization. This notice also contains the adjusted allocations for the New Starts and Bus categories under the Capital Investment Program and the Job Access and Reverse Commute Program. It contains general information about other programs established under TEA-21, including the Over-the-Road Bus Accessibility Program and the Clean Fuels Formula Program.

Information regarding TEA-21 funding authorization levels for use in developing Metropolitan Transportation Improvement Programs (TIPs) and Statewide Transportation Improvement Programs (STIPs) is included. For informational purposes, the notice contains the estimated apportionment of FY 2001 funds for the Federal Highway Administration (FHWA) Metropolitan Planning Program and the estimated apportionment of FY 2001 funds for the FHWA State Planning and Research Program.

Listings of prior year unobligated allocations for the section 5309 New Starts and Bus Programs are included, as in previous years. In addition, the FTA policy regarding pre-award authority to incur project costs and the Letter of No Prejudice Policy are provided. Other pertinent program information is also included.

FOR FURTHER INFORMATION CONTACT: The appropriate FTA Regional Administrator for grant-specific information and issues; Patricia Levine, Director, Office of Resource Management and State Programs, (202) 366-2053, for general information about the Urbanized Area Formula Program, the Nonurbanized Area Formula Program, the Rural Transit Assistance Program, the Elderly and Persons with Disabilities Program, the Clean Fuels Formula Program, the Over-the-Road Bus Accessibility Program, or the Capital Investment Program; or Paul L. Verchinski, Chief, Statewide and Intermodal Planning Division, (202)366-1626, for general information concerning the Metropolitan Planning Program and the State Planning and Research Program; or Dr. Lewis P. Clopton, Director, Office of Research Management, (202)366-9157, for information about the Job Access and Reverse Commute Program.

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I. BACKGROUND

Metropolitan Planning funds are apportioned by statutory formula to the Governors for allocation to Metropolitan Planning Organizations (MPOs) in urbanized areas or portions thereof to provide funds for their Unified Planning Work Programs. State Planning and Research funds are apportioned to states by statutory formula to provide funds for their State Planning and Research Programs. Urbanized Area Formula Program funds are apportioned by statutory formula to urbanized areas and to Governors to provide capital, operating and planning assistance in urbanized areas. Nonurbanized Area Formula Program funds are apportioned by statutory formula to Governors for capital, operating and administrative assistance in nonurbanized areas. Elderly and Persons with Disabilities Program funds are apportioned by statutory formula to Governors to provide capital assistance to organizations providing transportation service for the elderly and persons with disabilities. Fixed Guideway Modernization funds are apportioned by statutory formula to specified urbanized areas for capital improvements in rail and other fixed guideways. New Starts and Bus allocations identified in the FY 2001 DOT Appropriations Act or the Conference Report accompanying the FY 2001 DOT Appropriations Act are included in this notice. FTA will honor those allocations included in report language provided that the projects meet the statutory intent of the specific program.

II. OVERVIEW

A. Fiscal Year 2001 Appropriations

The FY 2001 DOT Appropriations Act made \$6,271,000,000 available for FTA programs, which is the guaranteed funding level under TEA-21. After the .22 percent reduction for the government-wide rescission and addition of new funding (as directed in the FY 2001 Omnibus Consolidated Appropriations Act), and transfer of funds to the Office of the Inspector General (OIG) as directed in the FY 2001 DOT Appropriations Act, FTA's FY 2001 appropriation is \$6,260,696,100. The revised/adjusted FY 2001 funding amounts for FTA programs are displayed in Table 1.

The following text provides a narrative explanation of the funding levels and other factors affecting the apportionments and allocations.

B. TEA-21 Authorized Program Levels

TEA-21 provides a combination of trust and general fund authorizations that total \$7,274,000,000 for the FY 2001 FTA program. Of this amount, \$6,271,000,000 was guaranteed under the discretionary spending cap and made available in the FY 2001 DOT Appropriations Act. Adjustments directed by the FY 2001 Omnibus Consolidated Appropriations Act reduce funding for FTA programs to \$6,260,696,100 for FY 2001. See Table 11 for fiscal years 1998-2003 guaranteed funding levels by program and Table 11A for the total of guaranteed and non-guaranteed levels by program.

Information regarding estimates of the funding levels for 1999 - 2003 by state and urbanized area is available on the FTA website. The numbers are for planning purposes only as they will be revised in the future but may be used for programming Metropolitan Transportation Improvement Programs and Statewide Transportation Improvement Programs.

C. Project Management Oversight

Section 5327 of Title 49 U.S.C. allows the Secretary of Transportation to use not more than one-half percent of the funds made available under the Urbanized Area Formula Program and the Nonurbanized Area Formula Program, and three-quarters percent of funds made available under the Capital Investment Program to contract with any person to oversee the construction of any major project under these statutory programs to conduct safety, procurement, management and financial reviews and audits, and to provide technical assistance to correct deficiencies identified in compliance reviews and audits. Therefore, one-half percent of the funds appropriated for the Urbanized Area Formula Program and the Nonurbanized Area Formula Program for FY 2001, and three-quarters percent of Capital Investment Program funds were reserved for these purposes before funds were apportioned.

D. 2002 Winter Olympic Games

The FY 2001 DOT Appropriations Act made \$60,000,000 available from the formula grants program for the 2002 Winter Olympic Games. After applying a .22 percent reduction, in accordance with the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act, \$59,868,000 is available for this activity. The funds shall be available for grants for the costs of planning, delivery and temporary use of transit vehicles for special transportation needs and construction of temporary transportation facilities for the XIX Winter Olympiad and the VIII Paralympiad for the Disabled, to be held in Salt Lake City, Utah.

III. FISCAL YEAR 2001 FOCUS AREAS

A. *Urbanized Area Formula Study*

Section 3033 of TEA-21 requires the Secretary of Transportation to conduct a study of FTA's Urbanized Area Formula Program (49 U.S.C. § 5307) and the needs of small urbanized areas with unusually high levels of transit service. On September 29, 2000, the Secretary of Transportation approved "*The Urbanized Area Formula Program and the Needs for Small Intensive Cities*", which reports the result of the study. The report concludes that sufficient issues exist suggesting that changes to the existing Urbanized Area Formula Grants Program should be considered as part of the FY 2004 and beyond reauthorization cycle. However, the formula apportionments should continue to reflect underlying transit needs. For further information contact Richard Steinmann, FTA Office of Policy Development, at (202)366-4050.

B. *National Transit Database Redesign*

There have been major changes in federal reporting requirements affecting FTA. Most notable among these is prompt reporting of certain National Transit Database (NTD) data under the Government Performance and Results Act, and an increase in the level of detail. In addition, FTA must respond to congressional direction for new safety data reporting. These factors, along with other significant considerations and concerns, served as the impetus to redesign the NTD.

In the Spring of 2000, FTA conducted an outreach effort to the transit industry and then prepared a report to Congress entitled, "*Review of the National Transit Database*" (May 31, 2000), which evaluates the NTD reporting system. The report suggests a number of changes that will enhance the usefulness of the NTD while minimizing reporting burden. The report is available on the FTA website.

Presently, FTA is in the process of redesigning the data requirements of the NTD, which is expected to be completed by the Spring of 2001. System reprogramming and database testing will precede final implementation, which will take place during the Spring of 2002.

C. *New Starts Roundtable*

In FY 2000, FTA sponsored a series of New Starts Roundtable (NSR) meetings. The purpose of the NSR is to facilitate continued dialogue and information sharing between FTA and local sponsors of projects pursuing Capital Investment Program (section 5309) New Starts funding. This includes projects currently in FTA's New Starts pipeline or a study that may result in the selection of a major fixed guideway transit investment in the near future.

The NSR provides a forum for FTA and the New Starts community to jointly explore and address issues related to the New Starts planning, project development, and evaluation processes. The NSR Steering Committee, a partnership whose membership is comprised of the FTA Administrator, FTA staff and representatives from local transit agencies is responsible for outlining the strategy, developing topic areas and agendas and selecting sites and setting schedules for NSR meetings, in addition to implementing the NSR workplan activities.

The targeted participants for NSR meetings include planning directors or project/study managers who can share their views of the New Starts criteria and project development process. In FY 2000, two roundtable meetings were held: July 27th - 28th, in Washington, DC; and August 2nd - 3rd, in Las Vegas, NV. FTA is in the process of organizing NSR meetings for FY 2001. For additional information regarding this initiative, contact David Vozzolo or Tonya Holland, FTA Office of Planning Innovation and Analysis, at (202)366-4033.

D. Intelligent Transportation Systems (ITS)

Section 5206(e) of TEA-21 requires that Intelligent Transportation Systems (ITS) projects using funds from the Highway Trust Fund (including the Mass Transit Account) conform to National ITS Architecture and Standards. Interim guidance on conformity with National ITS Performance Standards was issued October 2, 1998, jointly by FTA and FHWA. This document provides guidance for meeting this provision of TEA-21 and is available from FTA regional offices and on the FTA website. These standards and requirements apply to FY 2001 allocations included in this notice that contain ITS components. Using existing FTA oversight procedures, FTA has initiated a program to provide initial oversight and technical assistance with respect to National ITS Architecture Consistency requirements.

Questions regarding the applicability of these standards and requirements should be addressed to the FTA Regional Office or Ronald Boenau, FTA Office of Research, Demonstration and Innovation, at (202) 366-0195.

IV. SECTION 5303 METROPOLITAN PLANNING PROGRAM AND SECTION 5313(b) STATE PLANNING AND RESEARCH PROGRAM

A. Metropolitan Planning Program

Funding made available for the Metropolitan Planning Program in the FY 2001 DOT Appropriations Act was \$52,113,600--the guaranteed funding level under TEA-21. This amount has been reduced to \$51,998,950 after application of the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act.

The FY 2001 Metropolitan Planning Program apportionment to states for MPOs' use in urbanized areas totals \$52,278,930. This amount includes \$51,998,950 in FY 2001 funds, and \$279,980 in prior year deobligated funds available for reapportionment under this program. A basic allocation of 80 percent of this amount (\$41,423,144) is distributed to the states based on the state's urbanized area population as defined by the U.S. Census Bureau for subsequent state distribution to each urbanized area, or parts thereof, within each state. A supplemental allocation of the remaining 20 percent (\$10,455,786) is also provided to the states based on an FTA administrative formula to address planning needs in the larger, more complex urbanized areas. Table 2 contains the final state apportionments for the combined basic and supplemental allocations. Each state, in cooperation with the MPOs, must develop an allocation formula for the combined apportionment, which distributes these funds to MPOs representing urbanized areas, or parts thereof, within the state. This formula, which must be approved by the FTA, must ensure to the maximum extent practicable that no MPO is allocated less than the amount it received by administrative formula under the Metropolitan Planning Program in FY 1991 (minimum MPO allocation). Each state formula must include a provision for the minimum MPO allocation. Where the state and MPOs desire to use a new formula not previously approved by FTA, it must be submitted to the appropriate FTA Regional Office for prior approval.

In FY 2001, the results of the 2000 Census will be made available and the Census Bureau will designate new urbanized areas. Since the statutory formula for distribution of the Metropolitan Planning Program utilizes the latest available decennial census, FTA anticipates use of the 2000 Census for FY 2002 funding apportionments. This will affect each state's apportionment. In addition, each state has an FTA approved in-state allocation formula to each urbanized area. States will be free to continue using their existing in-state formula distribution. When the Census Bureau issues its population data, FTA will request a state reaffirmation of these in-state formulas since most were last approved in FY 1992. A reaffirmation or new in-state formula should be submitted to the FTA Regional Office for approval prior to October 1, 2001 so that the funding distributions are effective in FY 2002.

Currently, guaranteed and authorized funding levels for each state over the life of TEA-21 (fiscal years 1999-2003) based on the 1990 Census, are posted at [<http://www.fta.dot.gov/office/planning/gaf.htm>]. By June 2001, FTA will post revised fiscal year 2002 and 2003

guaranteed and authorized funding levels based on the 2000 census for each state at this same website address. This information should be utilized by each state when reaffirming or revising in-state formulas.

B. State Planning and Research Program

Funding made available for the State Planning and Research Program in the FY 2001 DOT Appropriations Act was \$10,886,400, the guaranteed funding level under TEA-21. This amount has been reduced to \$10,862,450, after applying the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act.

The FY 2001 apportionment for the State Planning and Research Program (SPRP) totals \$10,938,770. This amount includes \$10,862,450 in FY 2001 funds, and \$76,320 in prior year deobligated funds, which have become available for reapportionment under this program. Final state apportionments for this program are also contained in Table 2. These funds may be used for a variety of purposes such as planning, technical studies and assistance, demonstrations, management training, and cooperative research. In addition, a state may authorize a portion of these funds to be used to supplement metropolitan planning funds allocated by the state to its urbanized areas, as the state deems appropriate.

C. Data Used for Metropolitan Planning and State Planning and Research Apportionments

Population data from the 1990 Census is used in calculating these apportionments. The Metropolitan Planning funding provided to urbanized areas in each state by administrative formula in FY 1991 was used as a "hold harmless" base in calculating funding to each State.

D. FHWA Metropolitan Planning Program and State Planning and Research Program

For informational purposes, the estimated FY 2001 apportionments for the FHWA Metropolitan Planning Program (PL) and estimated apportionments for FY 2001 State Planning and Research Program (SPRP) are contained in Table 3. These estimates include expected SPRP funding increases from the Revenue Budget Aligned Authority authorized in TEA-21, Section 1105. The amounts are as originally provided by FHWA and may be adjusted by that agency to incorporate the .22 percent reduction required by the FY 2001 Omnibus Consolidated Appropriations Act.

E. Local Match Waiver for Specified Planning Activities

Job Access Planning. Federal, state and local welfare reform initiatives may require the development of new and innovative public and other transportation services to ensure that former welfare recipients have adequate mobility for

reaching employment opportunities. In recognition of the key role that transportation plays in ensuring the success of welfare-to-work initiatives, FTA and FHWA permit the waiver of the local match requirement for job access planning activities undertaken with Metropolitan Planning Program and State Planning and Research Program funds. FTA and FHWA will support requests for waivers when they are included in Metropolitan Unified Planning Work Programs and State Planning and Research Programs and meet all other appropriate requirements.

F. Planning Emphasis Areas for Fiscal Year 2001

The FTA and FHWA identify Planning Emphasis Areas (PEAs) annually to promote priority themes for consideration, as appropriate, in metropolitan and statewide transportation planning processes. Identification of PEAs calls attention to a national policy emphasis on the themes and priorities within FTA and FHWA for enhanced inventory of current practice, guidance and training in those areas. The FTA and FHWA are committed to providing opportunities to the planning community to exchange ideas and experiences on innovative practice in these topic areas throughout the year. Furthermore, this information will constitute an important component of guidance for implementing the planning and environmental provisions of TEA-21.

To that end, FTA and FHWA intend to periodically develop information that will be made available through publications, on the FTA and FHWA websites, and through other means. As opportunities become available, this information also will be promoted for inclusion on the agendas of regional and national conferences held during the year. To support these efforts, FTA and FHWA encourage planning organizations to expand their work activities on these topics through their planning work activities, as set forth in Unified Planning Work Programs (UPWPs) and State Planning and Research Programs. This will be the resource base and means by which innovative and effective practices can be identified and reported back to the planning community.

For FY 2001, five key planning themes have been identified as PEAs: 1) mainstreaming safety in the transportation planning and decision-making process; 2) incorporation of environmental streamlining as a policy and planning analysis theme within planning processes; 3) transportation system management and operations; 4) demonstrated compliance with Title VI of the Civil Rights Act and accommodation of the principles of environmental justice; and 5) coordination of non-emergency transportation services.

(1) Safety in Transportation

TEA-21 emphasizes the safety of transportation systems as a national priority and calls for transportation plans and strategies that "increase the safety and security of transportation systems." The DOT Strategic Plan identifies safety as the highest priority and includes a goal to "promote the public health and safety by working toward the elimination of transportation-related deaths, injuries and property damage."

The DOT short-term objective is to integrate safety considerations into all stages of the transportation planning process, including identification of activities to be considered during the development of UPWPs and SPRPs. States and MPOs are encouraged to consider both long and short-term strategies for inclusion in their plans and transportation improvement programs (TIPs).

FTA and FHWA are working together to advance the state-of-practice in addressing safety in the metropolitan and statewide planning process. In May 2000, FTA and FHWA hosted a meeting along with the Transportation Research Board (TRB) of safety professionals and planners to address safety in the metropolitan planning process. From that meeting, a TRB report describing the issues and recommendations identified at the meeting will be produced, and is expected to be available on the TRB website in the Fall of 2000 at [<http://www.nas.edu/trb>].

Participants in the TRB meeting summarized the following strategies for addressing safety in planning processes:

- establish a foundation for safety in planning;
- improve access to safety data and encourage its use;
- address safety in the consideration of alternative mode choice options;
- explicitly address safety in federal and state regulatory policy; and
- market and advocate safety through "champions" to user groups.

These suggested strategies are just a beginning. FTA and FHWA are also working to document good practice and develop guidance in the area of safety planning that will be a tool for both states and MPOs in addressing safety in their planning processes. Through good practice and guidance, MPOs

can begin to identify methods to integrate safety within the planning process. These methods may include:

- providing an umbrella for the coordination of transportation safety activities among various levels of government, the private sector and other specialized transportation safety groups;
- enhancing the knowledge of local officials and the public on traffic safety; and
- developing assessment tools for safety based upon existing problems and how proposed projects will decrease problems in a regional context.

(2) Environmental Streamlining

TEA-21 reflects the concerns of Congress and the transportation community that the planning and project development processes are requiring too much time before solutions to serious transportation problems are ready for implementation. TEA-21 mandated the elimination of the Major Investment Study as a stand-alone requirement and the streamlining of the process for complying with the National Environmental Policy Act (NEPA) and other environmental statutes and regulations. Developing and guiding projects through the planning and review processes faster, without compromising environmental safeguards, is a complex undertaking for which there is no easy solution.

FHWA and FTA have engaged the federal environmental and permitting agencies in a dialogue on ways to improve the planning and NEPA processes. This dialogue has produced a national Memorandum of Understanding (MOU) on environmental streamlining among the federal agencies, which formalizes their commitment to streamline the environmental review process for federally-funded highway and transit projects, while fulfilling their responsibilities to protect the environment. The MOU calls for early consideration of environmental and community issues during the planning process in consultation with federal and state environmental resource agencies. FHWA followed up on the national MOU by convening regional summits on environmental streamlining. These summits have resulted in a number of regional and statewide MOUs that address more specific linkage between planning and project development. These documents are generally available in the

environmental streamlining "tool kit" that has been posted on the FHWA website at
[<http://www.fhwa.dot.gov/environment/strmlng.htm>].

FTA and FHWA are establishing environmental streamlining as a PEA to encourage greater effort, innovative approaches, and a national dialogue on using the planning process to advance this objective. Examples of the kinds of innovative planning concepts that might serve to streamline the environmental process under the appropriate conditions include the introduction and use of new technologies such as Geographic Information Systems to study regional environmental issues in support of programmatic approvals, or closer coordination of transportation planning with other planning efforts such as land use planning, air quality planning, or watershed management and associated mitigation banking. Additional streamlining concepts are being explored in a number of states such as Florida, Oregon, and California through pilot projects or pilot programs specifically identified by the State DOTs, MPOs, and transit agencies for this purpose. An expert panel established through the National Cooperative Highway Research Program is monitoring, analyzing, and reporting on the status of the pilot streamlining effort around the country. The results will be added to the streamlining tool kit on the FHWA website mentioned above.

As part of this PEA, FHWA and FTA are seeking not only to demonstrate that earlier consideration of environmental issues during planning makes sense, but also actually to quantify, to the extent possible, the time savings and environmental benefits that result. To that end, a preliminary baseline assessment of processing times has been completed and a more detailed assessment is underway. As additional data becomes available, it too will be posted on the FHWA streamlining website.

(3) Transportation System Management and Operations

TEA-21 challenges the FHWA and FTA to move beyond traditional infrastructure-based approaches to improve the movement of people and goods. TEA-21 emphasizes a greater need to improve the way transportation systems are managed and operated. The challenge, in terms of transportation planning, is not only to make a good investment in infrastructure, but also to see that this investment

is managed and operated to meet a broad range of customer needs. The FHWA and FTA are establishing management and operations as a PEA to encourage innovation, promote a national dialogue, and advance the state of the practice.

FTA and FHWA recognize that future transportation planning must look beyond the perception that management and operation strategies merely reduce congestion problems or move vehicles faster. The FHWA and FTA are convening a working group to develop recommendations to better integrate transportation operations and planning to address a broad array of transportation issues.

Information is available at website address [<http://plan2op.fhwa.dot.gov>] to guide and inform transportation planners on effective ways to consider management and operations investments, programs and actions in planning contexts. It provides a document library that may be searched for recent documents that deal with this subject and also presents a forum for the exchange of experiences.

(4) Transportation Equity and Public Involvement

Increasingly, concerns for compliance with provisions of Title VI of the Civil Rights Act have been raised by citizens and advocacy groups with regard to broad patterns of transportation investment and impact considered in metropolitan and statewide planning. While Title VI and environmental justice concerns have most often been raised during project development, it is important to recognize that the law applies equally to the processes and products of metropolitan and statewide planning. Public involvement is a major element of this process.

FTA and FHWA are working jointly to develop guidance to support metropolitan areas and states in their efforts to incorporate considerations of transportation equity in their local planning processes and substantiate Title VI compliance through demonstrated actions. Several releases of resource materials have taken place over the past year, including:

- *"Title VI Environmental Justice Planning Technical Assistance Manual"* with accompanying implementation training;

- brochure and fact sheet to facilitate a better understanding of Title VI/Environmental Justice considerations in transportation activities; and
- creation of an informational website which can be accessed at
[<http://www.fhwa.dot.gov/environment/ej2.htm>].

Case studies and effective practice materials are being prepared for wide distribution, and a companion training and education package is being designed. These will be completed by the end of 2000.

States and Metropolitan Planning Organizations (MPOs) are advised to strengthen their planning processes in this area and to document their effort in two categories of work activity:

- (a) strengthen the focus of public involvement efforts, with special attempts to include the traditionally under-served and under-represented in the planning process; and
- (b) assessing the distribution of benefits and adverse environmental impacts at both the plan and project levels.

Over the fiscal year, a range of possible procedural and analytical approaches for complying with provisions of Title VI and the Executive Order on Environmental Justice at the planning stage will be developed and disseminated through guidance and regulation. To support that effort, "innovative practice" case study development and training opportunities will be enhanced, based in part on the reported activities and experiences of metropolitan and statewide planning processes in this area.

(5) Coordination of Non-Emergency Transportation Services

Experience and research have shown that coordinating program resources for transportation services can lead to increased service availability and more cost-effective transportation services to persons with limited access and special needs. The DOT and the U.S. Department of Health and Human Services (HHS) recognize that there are over 70 federal programs in which some aspect of transportation services is an allowable use of funds. The Departments are jointly developing a coordination resource, the Transportation Coordination Toolkit, to assist states and

communities in their efforts to improve access to transportation services for persons with special mobility needs.

The initial piece in the Transportation Coordination Toolkit is a guide to coordinating transportation planning for DOT and HHS. It addresses the information and actions necessary to coordinate the transportation resources of various programs of DOT and HHS. Additional pieces will include case studies, a compilation of federal-funding sources, and a program resource guide. Additional information on these can be found on the website for the Coordinating Council on Access and Mobility at [<http://www.ccamweb.org>].

G. *Federal Planning Certification Reviews*

The Intermodal Surface Transportation Efficiency Act (ISTEA) required FTA and FHWA to certify, at least every three years, that the planning processes conducted in the largest metropolitan areas were being carried out in compliance with applicable provisions of federal law. This provision applies specifically to localities termed "Transportation Management Areas" (TMA), which are urbanized areas with populations of 200,000 and above, or other urbanized areas that may be designated by the Secretary of Transportation. TEA-21 further required that, in conducting these certification reviews, provisions be made for public involvement appropriate to the metropolitan area under review.

To that end, an annual calendar of prospective dates and locations for certification reviews of TMAs anticipated in FY 2001 has been prepared and is posted on the FTA website at [<http://www.fta.dot.gov/library/planning/cert2001.htm>].

For further information regarding federal certifications of the planning process contact: for FTA, Charles Goodman, FTA Metropolitan Planning Division, (202)366-1944, or Scott Biehl, FTA Office of Chief Counsel, (202)366-4063; for FHWA, Sheldon Edner, FHWA Metropolitan Planning Division, (202)366-4066, or Reid Alsop, FHWA Office of the Chief Counsel, (202)366-1371.

H. *Consolidated Planning Grants*

In FY 1997, FTA and FHWA began offering states the option of participating in a pilot Consolidated Planning Grant (CPG) program. FTA and FHWA have now made CPG a permanent pilot. As part of the permanent pilot, additional state participants are sought so that FTA and FHWA can benefit from the widest possible range of participant input to improve and further streamline the process.

Since the first CPG grant was awarded in April 1997, almost \$228 million has been obligated by the pilot states. Of this

total, more than \$180 million is from FHWA sources. Of the 11 pilot participants, three have used annual grants only; three have a mixture of grant time lengths, starting with annual and switching to multi-year grants or vice versa; and five have used only multi-year grants with the grant period ranging up to three years so far. Under the multi-year approach option, the CPG grant would remain open for a period of years to be determined by the state (and MPO, jointly, for Metropolitan Planning funds) with the approval of the federal government. New apportionments can be added by grant amendment, as funds become available. The annual approach treats the CPG much as FHWA funds are treated currently, that is, as basically annual apportionments with a yearly close-out of project activities and a deobligation and reobligation cycle. Those with the multi-year grants can close them at any time and begin the next year with either a new multi-year grant or an annual grant. The ease with which a state can opt for the single year or the multi-year approach to the CPG grant is just one example of the flexibility intended for the pilot.

Under the CPG, states can report metropolitan planning expenditures (to comply with the Single Audit Act) for both FTA and FHWA under the Catalogue of Federal Domestic Assistance number for FTA's Metropolitan Planning Program. Additionally, for states with an FHWA Metropolitan Planning (PL) fund matching ratio greater than 80 percent, the state (through FTA) can request a waiver of the 20 percent local share requirement in order that all FTA funds used for metropolitan planning in a CPG can be granted at the higher FHWA rate. For some states, this federal match rate can exceed 90 percent. Currently, two western states participating in the pilot are using the FHWA PL match rate.

Pre-award authority has been granted to FTA's planning programs for the life of TEA-21 (through FY 2003). This pre-award authority enables states to continue planning program activities from year to year with the assurance that eligible costs can later be converted to a regularly funded federal project without the need for prior approval or authorization from the granting agency. Beginning in FY 2000, the transfer procedures established to implement the transfer provision in TEA-21 (section 1103(i) "Transfer of Highway and Transit Funds") is applicable to FHWA funds used in CPG. For planning projects funded through CPG, the state DOT requests the transfer of funds in a letter to the FHWA Division Office. The FHWA-funded planning activities must be in accordance with the state's or MPO's Planning Work Program. The letter must be signed by the appropriate state official or their designee and must specify the state and the amount of funding to be

transferred for the CPG by apportionment category (e.g. STP, CMAQ, Donor State Bonus, Funding Restoration, etc.) and by appropriation year. The letter should include only the funding for planning activities contained in the state's or MPO's Planning Work Program. If no FTA program, either Metropolitan Planning (49 U.S.C. 5303) or Statewide Planning and Research (49 U.S.C. 5313(b)), is indicated for transfers to CPG, funds will be credited to the Metropolitan Planning Program.

As part of the pilot, FTA will continue to work with participating states to increase the flexibility and further streamline the consolidated approach to planning grants. For further information on participating in the CPG Pilot, contact Candace Noonan, Intermodal and Statewide Planning Division, FTA, at (202)366-1648 or Anthony Solury, Office of Planning and Environment, FHWA, at (202)366-5003.

I. New Starts Approval to Enter Preliminary Engineering and Final Design

TEA-21 extends FTA's long-standing authority for approving the advancement of candidate New Starts projects into preliminary engineering (PE) by requiring that FTA also approve entrance into the final design (FD) stage of project development. Specifically, 49 U.S.C. 5309(e)(6) requires that the basis for PE/FD approval is FTA's evaluation of candidate project's New Starts criteria, leading to an overall project rating of "Highly Recommended," "Recommended," or "Not Recommended." FTA has established a set of decision rules for approving entrance into preliminary engineering and final design. After first meeting several basic planning, environmental, and project management requirements which demonstrate the "readiness" of the project to advance into the next stage of project development, candidate projects are subject to FTA evaluation against the New Starts project justification and local financial commitment criteria. Projects may advance to the next appropriate stage of project development (PE or FD) only if rated "Recommended" or "Highly Recommended," based on the criteria. Projects rated "Not Recommended" will not be approved to advance.

Section 5309(e)(8)(A) of Title 49 U.S.C. exempts projects which request a section 5309 New Starts share of less than \$25 million from the requirements of section 5309(e). TEA-21 also provides statutory exemptions to certain specific projects. It is important to note that any exemption under section 5309(e)(8)(A) applies only to the New Starts criteria serving as the basis for FTA's approval to advance to preliminary engineering and final design for such projects. New Starts projects with less than \$25 million in New Starts funding must

still request entrance to the next stage of development, and must fulfill all appropriate planning, environmental, and project management requirements.

Aside from the formal evaluation and rating of (non-exempt) New Starts projects, the general process for approving entrance into PE and FD is largely consistent with FTA's prior procedures for approving entrance into preliminary engineering. FTA issued guidance for evaluating and approving local agency requests for advancing projects in the New Starts project development process in FY 2000. Another revision is planned for 2001.

V. SECTION 5307 URBANIZED AREA FORMULA PROGRAM

A. Total Urbanized Area Formula Apportionments

The amount made available to the Urbanized Area Formula Program in the FY 2001 DOT Appropriations Act was \$2,942,578,081. After the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act and transfer of \$1,000,000 to the OIG, \$2,935,106,609 is available.

In addition to the \$2,935,106,609 available in FY 2001 funds, the apportionment includes \$4,735,805 in deobligated funds, which became available for reapportionment under the Urbanized Area Formula Program as provided by 49 U.S.C. 5336(i).

Table 4 displays the amount apportioned for the Urbanized Area Formula Program. After reserving (\$13,682,722) for oversight, the amount of FY 2001 funds available for apportionment is \$2,921,423,887. The funds to be reapportioned, described in the previous paragraph, are then added and increase the total amount apportioned for this program to \$2,926,159,692.

An additional \$4,839,280 is made available for the Alaska Railroad for improvements to its passenger operations, after the .22 percent reduction required by the FY 2001 Omnibus Consolidated Appropriations Act. After reserving (\$24,196) for oversight, \$4,815,084 is available for the Alaska Railroad.

Table 12 contains the FY 2001 apportionment formula for the Section 5307 Urbanized Area Formula Program.

B. Fiscal Year 2000 Apportionment Adjustments

An adjustment has been made to the apportionment for one urbanized area because of corrections to data that were used to compute the FY 2000 formula grant apportionment published in the Federal Register of October 28, 1999 (64 FR 58212). The difference between the corrected apportionment and the previously published apportionment has been resolved and the

necessary adjustment has been made to the area's apportionment for FY 2001. The dollar amounts published in this notice contain the adjustment, and the affected urbanized area has been advised.

C. Data Used for Urbanized Area Formula Apportionments

Data from the 1999 NTD (49 U.S.C. 5335) Report Year submitted in late 1999 and early 2000 have been used to calculate the FY 2001 Urbanized Area Formula apportionments for urbanized areas 200,000 in population and over. The population and population density figures used in calculating the Urbanized Area Formula are from the 1990 Census.

D. Urbanized Area Formula Apportionments to Governors

The total Urbanized Area Formula apportionment to the Governor for use in areas under 200,000 in population for each state is shown in Table 4. This table also contains the total apportionment amount attributable to each of the urbanized areas within the state. The Governor may determine the allocation of funds among the urbanized areas under 200,000 in population with one exception. As further discussed below in Section H, funds attributed to an urbanized area under 200,000 in population, located within the planning boundaries of a transportation management area, must be obligated in that area.

E. Transit Enhancements

For urbanized areas with populations 200,000 and over, TEA-21 established a minimum annual expenditure requirement of one percent for transit projects and project elements that qualify as enhancements under the Urbanized Area Formula Program. Table 4 shows the amount set aside for enhancements in these areas. The term "transit enhancement" includes projects or project elements that are designed to enhance mass transportation service or use and are physically or functionally related to transit facilities.

- (1) *Eligible Enhancements.* The following are transit projects and project elements that may be counted to meet the minimum enhancement expenditure requirement:
 - (a) historic preservation, rehabilitation, and operation of historic mass transportation buildings, structures, and facilities (including historic bus and railroad facilities);
 - (b) bus shelters;
 - (c) landscaping and other scenic beautification, including tables, benches, trash receptacles, and street lights;
 - (d) public art;
 - (e) pedestrian access and walkways;
 - (f) bicycle access, including bicycle storage

facilities and installing equipment for transporting bicycles on mass transportation vehicles;

(g) transit connections to parks within the recipient's transit service area;

(h) signage; and

(i) enhanced access for persons with disabilities to mass transportation.

- (2) Requirements. One percent of the Urbanized Area Formula Program apportionment in each urbanized area with a population of 200,000 and over must be made available only for transit enhancements. When there are several grantees in an urbanized area, it is not required that each grantee spend one percent of its Urbanized Area Formula Program funds on transit enhancements. Rather, one percent of the urbanized area's apportionment must be expended on projects and project elements that qualify as enhancements. If these funds are not obligated for transit enhancements within three years following the fiscal year in which the funds are apportioned, the funds will lapse and no longer be available to the urbanized area, and will be reapportioned under the Urbanized Area Formula Program.

It will be the responsibility of the MPO to determine how the one percent will be allotted to transit projects. The one percent minimum requirement does not preclude more than one percent being expended in an urbanized area for transit enhancements. Items that are only eligible as enhancements -- in particular, operating costs for historic facilities -- may be assisted only within the one percent fund level.

- (3) Project Budget. The project budget for each grant application that includes enhancement funds must include a scope code for transit enhancements and specific budget activity line items for transit enhancements.
- (4) Bicycle Access. TEA-21 provides that projects providing bicycle access to transit assisted with the FTA enhancement apportionment shall be eligible for a 95 percent Federal share.
- (5) Enhanced Access for Persons with Disabilities. Enhancement projects or elements of projects designed to enhance access for persons with disabilities must go beyond the requirements contained in the Americans with Disabilities Act of 1990, 42 U.S.C. 12101 et

seq.

- (6) Enhancement Report. The recipient must submit a report to the appropriate FTA Regional Office listing the projects or elements of projects carried out with those funds during the previous fiscal year and the amount awarded. The report must be submitted with the Federal fiscal year's final quarterly progress report in the Transportation Electronic Awards and Management System (TEAM). The report should include the following elements: a) grantee name, b) urbanized area name and number, c) FTA project number, d) transit enhancement category, e) brief description of enhancement and progress towards project implementation, f) activity line item code from the approved budget, and g) amount awarded by FTA for the enhancement.

F. Fiscal Year 2001 Operating Assistance

FY 2001 funding for operating assistance is available only to urbanized areas with populations under 200,000. For these areas, there is no limitation on the amount of the state apportionment that may be used for operating assistance, and the Federal/local share ratio is 50/50.

TEA-21 provided two exceptions to the restriction on operating assistance in areas over 200,000 in population. These exceptions have been addressed and eligible areas identified.

G. Unobligated Funds for Operating Assistance

Unobligated funds for FY 1998, which were eligible for use as operating assistance, are still available for operating assistance. However, the operating assistance limitations remain on the unobligated FY 1998 funds. These funds continue to be available for obligation at the Federal/local share ratio of 50/50 through FY 2001. If the FY 1998 funds are not obligated before the end of FY 2001 they lapse to the area and are reapportioned. For unobligated FY 1998 funds for areas under 200,000, operating assistance as a capital project with an 80 percent federal match ratio (without limitation) will continue to be available through FY 2001.

H. Designated Transportation Management Areas

All urbanized areas over 200,000 in population have been designated as Transportation Management Areas (TMAs), in accordance with 49 U.S.C. 5305. These designations were formally made in a Federal Register Notice dated May 18, 1992 (57 FR 21160). Additional areas have been designated as TMAs upon the request of the Governor and the MPO designated for such area or the affected local officials. During FY 2000, no additions to existing TMAs were designated.

Guidance for setting the boundaries of TMAs is contained in the joint transportation planning regulations codified at 23 CFR part 450 and 49 CFR part 613. In some cases, the TMA boundaries, which have been established by the MPO for the designated TMA, also include one or more urbanized areas with less than 200,000 in population. Where this situation exists, the discretion of the Governor to allocate Urbanized Area Formula Program "Governor's Apportionment" funds for urbanized areas with less than 200,000 in population is restricted.

As required by 49 U.S.C. 5307(a)(2), a recipient(s) must be designated to dispense the Urbanized Area Formula funds attributable to TMAs. Those urbanized areas that do not already have a designated recipient must do so and notify the appropriate FTA Regional Office of the designation. This includes those urbanized areas with less than 200,000 in population that may receive TMA designation independently, or those with less than 200,000 in population that are currently included within the boundaries of a larger designated TMA. In either case, the Governor only has discretion to allocate Governor's Apportionment funds attributable to areas that are outside of designated TMA boundaries. To enable FTA and Governors to identify which urbanized areas under 200,000 in population are included within the boundaries of an existing TMA, so that they can be identified in future Federal Register notices, each MPO whose TMA planning boundaries include these smaller urbanized areas is requested to report such areas to FTA. This notification should be made in writing to the Associate Administrator for Program Management, Federal Transit Administration, 400 Seventh Street, SW, Washington, DC 20590, no later than July 1 of each fiscal year. To date, FTA has been notified of the following urbanized areas with population less than 200,000 that are included within the planning boundaries of designated TMAs:

Designated TMA	Small Urbanized Area Included in TMA Boundaries
Baltimore, Maryland.....	Annapolis, Maryland
Dallas-Fort Worth, Texas.....	Denton, Texas; Lewisville, Texas
Houston, Texas.....	Galveston, Texas; Texas City, Texas
Orlando, Florida.....	Kissimmee, Florida
Melbourne-Palm Bay, Florida.....	Titusville, Florida
Philadelphia, Pennsylvania.....	Pottstown, Pennsylvania
Pittsburgh, Pennsylvania.....	Monessen, Pennsylvania; Steubenville-Weirton, OH-WV-PA (PA portion)
Seattle, Washington.....	Bremerton, Washington
Washington, DC-MD-VA.....	Frederick, Maryland (MD portion)

I. Urbanized Area Formula Funds Used for Highway Purposes

Urbanized Area Formula funds apportioned to a TMA can be transferred to FHWA and made available for highway projects if the following three conditions are met: (1) such use must be approved by the MPO in writing after appropriate notice and opportunity for comment and appeal are provided to affected transit providers; (2) in the determination of the Secretary, such funds are not needed for investments required by the Americans with Disabilities Act of 1990 (ADA); and (3) the MPO determines that local transit needs are being addressed.

Urbanized Area Formula funds that are designated for highway projects will be transferred to and administered by FHWA. The MPO should notify FTA of its intent to program FTA funds for highway purposes.

J. National Transit Database Internet Reporting

The National Transit Database (NTD) is FTA's national database for statistics on the transit industry, including safety data. In recent years, about 600 FTA grantees have used diskettes to report on their operating, financial and safety statistics to FTA.

Urbanized Area Formula Program funds for areas 200,000 and over in population are apportioned, in part, using NTD statistics. In addition, NTD data is summarized and used to report to Congress on the performance of the transit industry and the associated costs. These data are also used to assess whether FTA Strategic Plan goals have been met.

In FY 2001, NTD data may be reported via a new Internet-based reporting system or by the traditional diskette. Over 300 NTD reporters have been trained on the new Internet system. Internet reporting should speed data collection and validation. The FTA encourages each agency to use the new Internet reporting system.

VI. SECTION 5311 NONURBANIZED AREA FORMULA PROGRAM AND SECTION 5311(b) RURAL TRANSIT ASSISTANCE PROGRAM (RTAP)

A. Nonurbanized Area Formula Program

The amount made available for the Nonurbanized Area Formula Program in the FY 2001 DOT Appropriations Act was \$205,461,168. After the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act, \$205,009,154 is available.

The FY 2001 Nonurbanized Area Formula apportionments to the states total \$205,485,900 and are displayed in Table 5. Of the \$205,009,154 available, (\$1,025,046) was reserved for oversight. In addition to the FY 2001 funding, the funds available for apportionment included \$1,501,792 in deobligated funds from fiscal years prior to FY 2001. The population figures used in calculating these apportionments are from the 1990 Census.

The Nonurbanized Formula Program provides capital, operating and administrative assistance for areas under 50,000 in population. Each state must spend no less than 15 percent of its FY 2001 Nonurbanized Area Formula apportionment for the development and support of intercity bus transportation, unless the Governor certifies to the Secretary that the intercity bus service needs of the state are being adequately met. FY 2001 Nonurbanized Area Formula grant applications must reflect this level of programming for intercity bus or include a certification from the Governor.

B. Rural Transit Assistance Program (RTAP)

Funding made available for the RTAP in the 2001 DOT Appropriations Act was \$5,250,000--the guaranteed funding level under TEA-21. This amount has been reduced to \$5,238,450, after applying the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act.

The FY 2001 RTAP allocations to the states total \$5,404,340 and are also displayed in Table 5. This amount includes \$5,238,450 in FY 2001 funds, and \$165,890 in prior year deobligated funds, which are available for reapportionment.

The funds are allocated to the states to undertake research, training, technical assistance, and other support

services to meet the needs of transit operators in nonurbanized areas. These funds are to be used in conjunction with the states' administration of the Nonurbanized Area Formula Program.

FTA requested and Congress made available an additional \$750,000 in FY 2001 (in the FY 2001 DOT Appropriations Act) to support RTAP activities carried out at the national level. The national projects support the states in their use of the formula allocations for training and technical assistance. These funds are also subject to the .22 percent reduction required by the FY 2001 Omnibus Consolidated Appropriations Act and will be reduced accordingly.

VII. SECTION 5310 ELDERLY AND PERSONS WITH DISABILITIES PROGRAM

Funds in the amount of \$77,410,801 were made available for the Elderly and Persons with Disabilities Program in the FY 2001 DOT Appropriations Act. After the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act, \$77,240,497 is available.

A total of \$77,560,406 is apportioned to the states for FY 2001 for the Elderly and Persons with Disabilities Program. In addition to the FY 2001 funding of \$77,240,497, the FY 2001 apportionment includes \$319,909 in prior year unobligated funds, which are available for reapportionment under the Elderly and Persons with Disabilities Program. Table 6 shows each state's apportionment.

The formula for apportioning these funds uses 1990 Census population data for persons aged 65 and over and for persons with disabilities.

The funds provide capital assistance for transportation for elderly persons and persons with disabilities. Eligible capital expenses may include, at the option of the recipient, the acquisition of transportation services by a contract, lease, or other arrangement.

While the assistance is intended primarily for private non-profit organizations, public bodies that coordinate services for the elderly and persons with disabilities, or any public body that certifies to the state that there are no non-profit organizations in the area that are readily available to carry out the service, may receive these funds.

These funds may be transferred by the Governor to supplement the Urbanized Area Formula or Nonurbanized Area Formula capital funds during the last 90 days of the fiscal year.

**VIII. FHWA SURFACE TRANSPORTATION PROGRAM AND CONGESTION MITIGATION
AND AIR QUALITY FUNDS USED FOR TRANSIT PURPOSES
(TITLE 23, U.S.C.)**

A. Transfer Process

TEA-21 made changes in how to apply the flexibility provisions of funds transferred from FHWA to FTA. Section 1103(i) of TEA-21, as amended, provides that when funds are transferred, obligation authority will be transferred to the receiving agency. Under ISTEA, obligation authority was not transferred.

Effective October 1, 1999, new procedures were implemented to accommodate this change for FY 2000 and subsequent years. The process for transfers to the FTA formula programs is described below. Information on the transfer of FHWA funds to FTA planning programs can be found in section IV.H., above.

Transfer from FHWA to FTA. FHWA funds designated for use in transit capital projects must result from the metropolitan and state planning and programming process, and must be included in an approved Statewide Transportation Improvement Program (STIP) before the funds can be transferred. The state DOT requests, by letter, the transfer of highway funds for a transit project to the FHWA Division Office. The letter should specify the project, amount to be transferred, apportionment year, state, federal aid apportionment category (i.e. Surface Transportation Program (STP), Congestion Mitigation and Air Quality (CMAQ), Interstate Substitute, or congressional earmark), and a description of the project as contained in the STIP.

The FHWA Division Office confirms that the apportionment amount is available for transfer and concurs in the transfer by letter to the state DOT and FTA. FHWA then transfers obligation authority and an equal amount of cash to FTA. All CMAQ or STP, or FHWA earmark funds will be transferred to one of the three FTA formula capital programs (i.e. Urbanized Area Formula (section 5307), Nonurbanized Area Formula (section 5311) or Elderly and Persons with Disabilities (section 5310)).

The FTA grantee application for the project must specify for which Title 49 U.S.C., transit program funds will be used and the application should be prepared in accordance with the requirements and procedures governing that section. Upon review and approval of the grantee's application, FTA obligates funds for the project.

The transferred funds are treated as FTA formula funds, although they retain an identifying code for tracking purposes. The funds may be used for any purpose eligible under the FTA formula capital program to which they are transferred. CMAQ funds, however, have to be used for air

quality purposes and some eligible projects are defined by the Clean Air Act. All FTA requirements are applicable to transferred funds. Transferred funds should be combined with regular FTA funds in a single annual grant application.

Transfers from FTA to FHWA. The Metropolitan Planning Organization (MPO) submits a request to the FTA Regional Office for a transfer of FTA section 5307 formula funds (apportioned to an urbanized area 200,000 and over in population) to FHWA based on approved use of the funds for highway purposes, as contained in the Governor's approved State Transportation Improvement Program. The MPO must certify that: 1) the funds are not needed for capital investments required by the Americans with Disabilities Act; 2) notice and opportunity for comment and appeal has been provided to affected transit providers; and 3) local funds used for non-Federal match are eligible to provide assistance for either highway or transit projects. The FTA Regional Administrator reviews and concurs in the request then forwards the approval to FTA Headquarters, where a reduction is made to the grantee's formula apportionment and FTA's National Operating Budget in TEAM (FTA's electronic grants management system), by the dollar amount being transferred to FHWA.

For information regarding these procedures, please contact Kristen D. Clarke, FTA Budget Division at (202)366-1699 or Richard Meehleib, FHWA Finance Division at (202)366-2869.

B. Matching Share for FHWA Transfers

The provisions of Title 23, U.S.C., regarding the non-federal share apply to Title 23 funds used for transit projects. Thus, FHWA funds transferred to FTA retain the same matching share that the funds would have if used for highway purposes and administered by the FHWA.

There are three instances in which a higher than 80 percent federal share would be permitted. First, in states with large areas of Indian and certain public domain lands, and national forests, parks and monuments, the local share for highway projects is determined by a sliding scale rate, calculated based on the percentage of public lands within that state. This sliding scale, which permits a greater federal share, but not to exceed 95 percent, is applicable to transfers used to fund transit projects in these public land states. FHWA develops the sliding scale matching ratios for the increased federal share.

Secondly, commuter carpooling and vanpooling projects and transit safety projects using FHWA transfers administered by FTA may retain the same 100 percent federal share that would be allowed for ride-sharing or safety projects administered by the FHWA.

The third instance includes the 100 percent federal safety projects; however, these are subject to a nationwide 10 percent program limitation.

IX. SECTION 5309 CAPITAL INVESTMENT PROGRAM

A. Fixed Guideway Modernization

The formula for allocating the Fixed Guideway Modernization funds contains seven tiers. The allocation of funding under the first four tiers, through FY 2003, will be based on data used to apportion the funding in FY 1997. Funding under the last three tiers will be apportioned based on the latest available route miles and revenue vehicle miles on segments at least seven years old as reported to the National Transit Database.

Table 7 displays the FY 2001 Fixed Guideway Modernization apportionments. Fixed Guideway Modernization funds apportioned for this section must be used for capital projects to maintain, modernize, or improve fixed guideway systems.

All urbanized areas with fixed guideway systems that are at least seven years old are eligible to receive Fixed Guideway Modernization funds. A request for the start-up service dates for fixed guideways has been incorporated into the National Transit Database reporting system to ensure that all eligible fixed guideway data is included in the calculation of the apportionments. A threshold level of more than one mile of fixed guideway is required to receive Fixed Guideway Modernization funds. Therefore, urbanized areas reporting one mile or less of Fixed Guideway mileage under the National Transit Database are not included.

For FY 2001, \$1,058,400,000 was made available for fixed guideway modernization in the FY 2001 DOT Appropriations Act, which was the guaranteed funding level in TEA-21. After applying the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act, \$1,056,071,520 is available.

An amount of (\$7,920,536) was then deducted for oversight, leaving \$1,048,150,984 available for apportionment to the eligible urbanized areas. In addition to the FY 2001 funding, \$289,758 in deobligated funds from fiscal years prior to FY 2001 is added and increases the total amount apportioned to \$1,048,440,742 under fixed guideway modernization. Table 13 contains information regarding the fixed guideway modernization apportionment formula.

B. New Starts

Amounts made available for New Starts in the FY 2001 DOT Appropriations Act was \$1,058,400,000, which was fully allocated and represents the guaranteed funding level under

TEA-21. After applying the .22 percent reduction for the government-wide rescission and adding appropriated funding of \$1,000,000 for Southeast Light Rail Extension project, in Dallas, TX, and \$3,000,000 for the Newark-Elizabeth rail link project in New Jersey, as directed by the FY 2001 Omnibus Consolidated Appropriations Act, \$1,060,062,720 is available.

Of this amount (\$7,942,987) was reserved for oversight activities, leaving \$1,052,119,733 available for allocations to projects. Prior year unobligated funds specified by Congress to be reallocated in the amount of \$26,994,048 are then added and increase the total amount allocated to \$1,079,113,781. The reallocated funds were derived from unobligated and deobligated balances for the following projects: Burlington to Gloucester, New Jersey (P.L. 103-331), \$1,488,750; Orlando, Florida Lynx rail project, \$20,521,470; and Pittsburgh, Pennsylvania airport busway project (P.L. 105-66), \$4,983,828. The final allocation for each New Starts project is shown in Table 8 of this notice.

Prior year unobligated allocations for New Starts in the amount of \$459,373,575 remain available for obligation in FY 2001. This amount includes \$448,966,118 in fiscal years 1999 and 2000 unobligated allocations, and \$10,407,457 for fiscal years 1997 and 1998 unobligated allocations that were extended in the Conference Report. These unobligated amounts are displayed in Table 8A.

Capital Investment Program funds for New Starts projects identified as having been extended in the Conference Report accompanying the FY 2001 DOT Appropriations Act will lapse September 30, 2001. A list of the extended project amounts that remain unobligated as of September 30, 2000 is appended to Table 8A for ready reference.

The FY 2001 DOT Appropriations Act directs that a New Starts FY 1999 allocation for the Colorado North Front Range corridor feasibility study (\$496,280) is to be made available for the "Colorado Eagle Airport to Avon light rail system feasibility study." Also, section 360 of the FY 2001 DOT Appropriations Act provides that a FY 1998 allocation for Jackson, Mississippi Intermodal Corridor is now available for obligation in this fiscal year for studies to evaluate and define transportation alternatives, including an intermodal facility at Jackson International Airport and for related preliminary engineering, final design or construction.

C. *Bus*

The FY 2001 DOT Appropriations Act provides \$529,200,000, for the purchase of buses, bus-related equipment and paratransit vehicles, and for the construction of bus-related facilities. This amount represents the guaranteed funding

level under TEA-21. After the .22 percent reduction for the government-wide rescission and adding newly appropriated funding of \$500,000 for the Alabama A&M University buses and bus facilities project, as directed by the FY 2001 Omnibus Consolidated Appropriations Act, \$528,534,660 is available.

TEA-21 established a \$100,000,000 Clean Fuels Formula Program under Section 5308. The program is authorized to be funded with \$50,000,000 from the Bus category of the Capital Investment Program, and \$50,000,000 from the Formula Program. However, recent congressional appropriation actions have directed the formula portion of the Clean Fuels Program be transferred and available for the Bus category of the Capital Investment Program. In addition, these funds have been reduced by .22 percent, in accordance with the government-wide rescission. Thus, \$578,424,660 of funds appropriated in FY 2001 is available for funding the Bus category of the Capital Investment Program. After deducting (\$4,334,443) for oversight, the amount of FY 2001 funds available for allocation is \$574,090,217.

The Conference Report accompanying the FY 2001 DOT Appropriations Act allocated most of the FY 2001 Bus funds to specified states or localities for bus and bus-related projects. FTA will honor those allocations to the extent that they comply with the statutory authorization for that program. However, allocations for two projects authorized to be funded under TEA-21 (the "Georgetown University fuel cell bus program" and the "Altoona bus testing facility") were not included in the Conference Report. Absent language overriding the authorization, these projects need to be funded with section 5309 Bus funds. To provide funding for these projects at the levels authorized under TEA-21, a minor deduction was applied to the other Bus allocations on a prorated basis. In addition, the suballocations for the Commonwealth of Virginia specified in the Conference Report exceeded the statewide allocation amount. Therefore, a prorated reduction was applied to each statewide suballocation to correct the difference so that the total for the suballocations equaled the statewide allocated amount. Table 9 displays the allocation of the FY 2001 Bus funds by state and project.

Prior year unobligated balances for Bus Program allocations in the amount of \$443,354,553 remain available for obligation in FY 2001. This includes \$436,416,460 in fiscal years 1999 and 2000 unobligated allocations, and \$6,938,093 for fiscal years 1997 and 1998 unobligated allocations that were extended in the Conference Report. These unobligated amounts are displayed in Table 9A.

Capital Investment Program funds for Bus projects

identified as having been extended in the Conference Report accompanying the FY 2001 DOT Appropriations Act will lapse September 30, 2001. A list of the extended project amounts that remain unobligated as of September 30, 2000 is appended to Table 9A for ready reference.

In addition, the Conference Report indicates that the following revisions to projects or the reprogramming of funds should be made under the bus category:

- 1) two FY 2000 bus allocations, Alabama, Gees Bend Ferry facilities, Wilcox County (\$3,743,808) and Alabama, Jefferson State Community College/University of Montevallo pedestrian walkway (\$198,503) are made available to the State of Alabama for buses and bus-related facilities;
- 2) remaining balances of \$800,000 from FY 1999 and FY 2000 allocations to Fayette County, PA are made available for an intermodal parking facility in Cambria County, PA;
- 3) FY 2000 allocation for Michigan statewide buses is expanded to include "bus-related equipment and bus facilities;"
- 4) up to \$560,000 of funds allocated for the transportation depot and plaza project in Hot Springs, Arkansas in FY 2000, may be available for buses and bus facilities; and
- 5) fiscal year 1999 and 2000 allocations for "Intermodal Facilities" for Washington County, and Westmoreland County, PA shall include "bus and bus facilities."

X. JOB ACCESS AND REVERSE COMMUTE PROGRAM

The FY 2001 DOT Appropriations Act provides \$100 million for the Job Access and Reverse Commute Program, which is the guaranteed funding level under TEA-21. After the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act, this amount has been reduced to \$99,780,000. Of this amount, \$75,079,461 has been allocated to 67 states and localities specified in the FY 2001 Conference report. These allocations are listed in Table 10. FTA will honor those allocated projects that meet the statutory intent of the program.

This program, established under TEA-21, provides funding for the provision of transportation services designed to increase access to jobs and employment-related activities. Job Access projects are those that transport welfare recipients and low-income individuals in urban, suburban, or rural areas to and from jobs and activities related to their employment. Reverse Commute projects provide transportation services for the general public from urban, suburban, and rural areas to suburban employment opportunities. A total of up to \$10,000,000 from the appropriation can be used for Reverse Commute Projects.

One of the goals of the Job Access and Reverse Commute program is to increase collaboration among transportation providers, human service agencies, employers, metropolitan planning organizations, states, and affected communities and individuals. All projects funded under this program must be derived from an area-wide Job Access and Reverse Commute Transportation Plan, developed through a regional approach which supports the implementation of a variety of transportation services designed to connect welfare recipients to jobs and related activities. A key element of the program is making the most efficient use of existing public, nonprofit and private transportation service providers.

In FY 2000, \$49,570,000 was allocated to projects specified in the FY 2000 Conference report. FTA undertook a national solicitation of applications for the remaining funds under this program and conducted a competitive process to select applications. As a result, FTA selected 91 competitive proposals for a total of \$25.69 million, including projects in 44 states and the District of Columbia.

XI. OVER-THE-ROAD BUS ACCESSIBILITY PROGRAM

The amount made available for the Over-the-Road Bus Accessibility (OTRB) Program in the FY 2001 DOT Appropriations Act was \$4,700,000, which is the guaranteed funding level under TEA-21. After applying the .22 percent reduction for the government-wide rescission required by the FY 2001 Omnibus Consolidated Appropriations Act, this amount has been reduced to \$4,689,660. Of this amount, \$2,993,400 is available to providers of intercity fixed-route service, and \$1,696,260 is available to other providers of over-the-road bus services, including local fixed-route service, commuter service, and charter and tour service.

The OTRB program authorizes FTA to make grants to operators of over-the-road buses to help finance the incremental capital and training costs of complying with the DOT over-the-road bus accessibility final rule, published in a Federal Register Notice on September 24, 1998. Funds will be provided at 90 percent Federal share. FTA conducts a national solicitation of applications and grantees are selected on a competitive basis.

In FY 2000, a total of \$2 million was available to intercity fixed-route providers and \$1.7 million was available to all other providers. FTA selected 47 applicants from among the 57 applications submitted for funding incremental capital and training costs of complying with DOT's OTRB Accessibility requirements.

A separate Federal Register Notice providing program guidance and application procedures for FY 2001 will be issued.

XII. CLEAN FUELS FORMULA PROGRAM

TEA-21 established the Clean Fuels Formula Grant Program under

section 5308 of Title 49 U.S.C., to assist non-attainment and maintenance areas in achieving or maintaining attainment status and to support markets for emerging clean fuel technologies. Under the program, public transit agencies in maintenance and non-attainment areas (as defined by the EPA) are to apply for formula funds to acquire clean fuel vehicles. The legislation specified the program to be funded with \$50,000,000 from the bus category of the Capital Investment Program, and \$50,000,000 from the Urbanized Area Formula Program in each fiscal year of TEA-21.

However, congressional appropriation actions in this fiscal year as well as in fiscal years 1999 and 2000, have provided no funds for this program.

XIII. UNIT VALUES OF DATA FOR THE SECTION 5307 URBANIZED AREA FORMULA PROGRAM, SECTION 5311 NONURBANIZED AREA FORMULA PROGRAM, AND SECTION 5309 CAPITAL FIXED GUIDEWAY MODERNIZATION

The dollar unit values of data derived from the computations of the Urbanized Area Formula Program, the Nonurbanized Area Formula Program, and the Capital Investment Program - Fixed Guideway Modernization apportionments are displayed in Table 14 of this notice. To determine how an apportionment amount was computed for an area, multiply its population, population density, and data from the NTD by the unit values.

XIV. PERIOD OF AVAILABILITY OF FUNDS

The funds apportioned under the Metropolitan Planning Program and the State Planning and Research Program, the Urbanized Area Formula Program, and the Fixed Guideway Modernization Program, in this notice, will remain available to be obligated by FTA to recipients for three fiscal years following FY 2001. Any of these apportioned funds unobligated at the close of business on September 30, 2004 will revert to FTA for reapportionment under these respective programs.

Funds apportioned to nonurbanized areas under the Nonurbanized Area Formula Program, including RTAP funds, will remain available for two fiscal years following FY 2001. Any such funds remaining unobligated at the close of business on September 30, 2003, will revert to FTA for reapportionment among the states under the Nonurbanized Area Formula Program. Funds allocated to states under the Elderly and Persons with Disabilities Program in this notice must be obligated by September 30, 2001. Any such funds remaining unobligated as of this date will revert to FTA for reapportionment among the states under the Elderly and Persons with Disabilities Program. The FY 2001 DOT Appropriations Act includes a provision requiring that FY 2001 New Starts and Bus funds not obligated for their original purpose as of September 30, 2003, shall be made available for other projects under 49 U.S.C. 5309.

Capital Investment Program funds for New Starts and Bus projects identified as having been extended in the Conference Report accompanying the FY 2001 DOT Appropriations Act will lapse September 30, 2001.

XV. AUTOMATIC PRE-AWARD AUTHORITY TO INCUR PROJECT COSTS

A. Policy

FTA provides blanket or automatic pre-award authority to cover certain program areas described below. This pre-award authority allows grantees to incur project costs prior to grant approval and retain their eligibility for subsequent reimbursement after grant approval. The grantee assumes all risk and is responsible for ensuring that all conditions, which are described below, are met to retain eligibility. This automatic pre-award spending authority permits a grantee to incur costs on an eligible transit capital or planning project without prejudice to possible future Federal participation in the cost of the project or projects. Prior to exercising pre-award authority, grantees must comply with the conditions and Federal requirements outlined in paragraphs B and C immediately below. Failure to do so will render an otherwise eligible project ineligible for FTA financial assistance. In addition, grantees are strongly encouraged to consult with the appropriate regional office if there could be any question regarding the eligibility of the project for future FTA funds or the applicability of the conditions and Federal requirements.

Authority to incur costs for FY 1998 Fixed Guideway Modernization, Metropolitan Planning, Urbanized Area Formula, Elderly and Persons with Disabilities, Nonurbanized Area Formula, STP or CMAQ flexible funds to be transferred from the FHWA and State Planning and Research Programs in advance of possible future Federal participation was provided in the December 5, 1997, Federal Register Notice. Pre-award authority was extended in the June 24, 1998 Federal Register Notice on TEA-21 to all formula funds and flexible funds that will be apportioned during the authorization period of TEA-21, 1998-2003.

Pre-award authority also applies to Capital Investment Bus allocations identified in this notice. Pre-award authority does not apply to Capital New Start funds, or to Capital Investment Bus projects not specified in this or previous notices, except as described in D. below. Pre-award authority also applies to preventive maintenance costs incurred within a local fiscal year ending during calendar year 1997, or thereafter, under the formula programs cited above.

For section 5309 Capital Investment Bus projects, the date

that costs may be incurred is the date that the appropriation bill in which they are contained is enacted. For blanket pre-award authority in formula programs described above, the effective date is June 9, 1998.

B. Conditions

Similar to the FTA Letter of No Prejudice (LONP) authority, the conditions under which this authority may be utilized are specified below:

- (1) The pre-award authority is not a legal or moral commitment that the project(s) will be approved for FTA assistance or that FTA will obligate Federal funds. Furthermore, it is not a legal or moral commitment that all items undertaken by the applicant will be eligible for inclusion in the project(s).
- (2) All FTA statutory, procedural, and contractual requirements must be met.
- (3) No action will be taken by the grantee that prejudices the legal and administrative findings that the Federal Transit Administrator must make in order to approve a project.
- (4) Local funds expended by the grantee pursuant to and after the date of the pre-award authority will be eligible for credit toward local match or reimbursement if FTA later makes a grant for the project(s) or project amendment(s).
- (5) The Federal amount of any future FTA assistance awarded to the grantee for the project will be determined on the basis of the overall scope of activities and the prevailing statutory provisions with respect to the Federal/local match ratio at the time the funds are obligated.
- (6) For funds to which the pre-award authority applies, the authority expires with the lapsing of the fiscal year funds.
- (7) The Financial Status Report, in TEAM, must indicate the use of pre-award authority.

C. Environmental, Planning, and Other Federal Requirements

FTA emphasizes that all of the Federal grant requirements must be met for the project to remain eligible for Federal funding. Some of these requirements must be met before pre-award costs are incurred, notably the requirements of the National Environmental Policy Act (NEPA), and the planning requirements. Compliance with NEPA and other environmental laws or executive orders (e.g., protection of parklands, wetlands, historic properties) must be completed *before* state or local funds are spent on implementing activities such as final design, construction, and acquisition for a project that

is expected to be subsequently funded with FTA funds. Depending on which class the project is included under in FTA environmental regulations (23 CFR part 771), the grantee may not advance the project beyond planning and preliminary engineering before FTA has issued either a categorical exclusion (refer to 23 CFR part 771.117(d)), a finding of no significant impact, or a final environmental impact statement. The conformity requirements of the Clean Air Act (40 CFR part 93) also must be fully met before the project may be advanced with non-Federal funds.

Similarly, the requirement that a project be included in a locally adopted metropolitan transportation improvement program and federally approved statewide transportation improvement program must be followed before the project may be advanced with non-Federal funds. For planning projects, the project must be included in a locally approved Planning Work Program that has been coordinated with the State. In addition, Federal procurement procedures, as well as the whole range of Federal requirements, must be followed for projects in which Federal funding will be sought in the future. Failure to follow any such requirements could make the project ineligible for Federal funding. In short, this increased administrative flexibility requires a grantee to make certain that no Federal requirements are circumvented through the use of pre-award authority. If a grantee has questions or concerns regarding the environmental requirements, or any other Federal requirements that must be met before incurring costs, it should contact the appropriate regional office.

Before an applicant may incur costs either for activities expected to be funded by New Start funds, or for Bus Capital projects not listed in this notice or previous notices, it must first obtain a written LONP from FTA. To obtain an LONP, a grantee must submit a written request accompanied by adequate information and justification to the appropriate FTA regional office.

D. Pre-Award Authority for New Starts Projects Approved for Preliminary Engineering and/or Final Design

New Starts Projects are required to follow a federally defined planning process. This process includes, among other things, FTA approval of entry of a project into preliminary engineering and approval to enter final design. The grantee request for entry into preliminary engineering and the request for entry into final design both document the project and how it meets the New Starts criteria in detail. With FTA approval to enter preliminary engineering, and subsequent approval to enter final design, FTA will automatically extend pre-award authority to that phase of project development. The pre-award

authority to incur costs for final design is strictly limited to design work. No capital items or right of way acquisition is included in this blanket pre-award authority.

This provision was first implemented in FY 2000 and is intended to streamline and eliminate duplicative and unnecessary paperwork and reinforce the importance of these New Starts approval actions. New Starts construction or right-of-way acquisition as well as New Starts planning funded with section 5309 funds not covered by preliminary engineering or final design approval still need letters of no prejudice requested as described below.

XVI. LETTER OF NO PREJUDICE POLICY (PRIOR APPROVAL OF PRE-AWARD AUTHORITY)

A. Policy

Letter of No Prejudice (LONP) Policy authority allows an applicant to incur costs on a future project utilizing non-Federal resources with the understanding that the costs incurred subsequent to the issuance of the LONP may be reimbursable as eligible expenses or eligible for credit toward the local match should FTA approve the project at a later date. LONPs are applicable to projects not covered by automatic pre-award authority. The majority of LONPs will be for Section 5309 New Starts funds not covered under a full funding grant agreement or for Section 5309 Bus funds not yet appropriated by Congress. At the end of an authorization period, there may be LONPs for formula funds beyond the life of the current authorization.

Under most circumstances the LONP will cover the total project. Under certain circumstances the LONP may be issued for local match only. In such cases the local match would be to permit real estate to be used for match for the project at a later date.

B. Conditions

The following conditions apply to all LONPs.

- (1) LONP pre-award authority is not a legal or moral commitment that the project(s) will be approved for FTA assistance or that FTA will obligate Federal funds. Furthermore, it is not a legal or moral commitment that all items undertaken by the applicant will be eligible for inclusion in the project(s).
- (2) All FTA statutory, procedural, and contractual requirements must be met.
- (3) No action will be taken by the grantee that prejudices the legal and administrative findings that the Federal Transit Administrator must make in order to approve a project.

- (4) Local funds expended by the grantee pursuant to and after the date of the LONP will be eligible for credit toward local match or reimbursement if FTA later makes a grant for the project(s) or project amendment(s).
- (5) The Federal amount of any future FTA assistance to the grantee for the project will be determined on the basis of the overall scope of activities and the prevailing statutory provisions with respect to the Federal/local match ratio at the time the funds are obligated.
- (6) For funds to which this pre-award authority applies, the authority expires with the lapsing of the fiscal year funds.

C. Environmental, Planning, and Other Federal Requirements

As with automatic pre-award authority, FTA emphasizes that all of the Federal grant requirements must be met for the project to remain eligible for Federal funding. Some of these requirements must be met before pre-award costs are incurred, notably the requirements of the National Environmental Policy Act (NEPA), and the planning requirements. Compliance with NEPA and other environmental laws or executive orders (e.g., protection of parklands, wetlands, historic properties) must be completed *before* state or local funds are spent on implementation activities such as final design, construction, or acquisition for a project expected to be subsequently funded with FTA funds. Depending on which class the project is included under in FTA's environmental regulations (23 CFR part 771), the grantee may not advance the project beyond planning and preliminary engineering before FTA has approved either a categorical exclusion (refer to 23 CFR part 771.117(d)), a finding of no significant impact, or a final environmental impact statement. The conformity requirements of the Clean Air Act (40 CFR part 93) also must be fully met before the project may be advanced with non-Federal funds.

Similarly, the requirement that a capital project be included in a locally adopted metropolitan transportation improvement program and federally approved statewide transportation improvement program must be followed before the project may be advanced with non-Federal funds. For planning projects, the project must be included in a locally approved Planning Work Program that has been coordinated with the State. In addition, Federal procurement procedures, as well as the whole range of Federal requirements, must be followed for projects in which Federal funding will be sought in the future. Failure to follow any such requirements could make the project ineligible for Federal funding. In short, this

pre-award authority requires a grantee to make certain that no Federal requirements are circumvented. If a grantee has questions or concerns regarding the environmental requirements, or any other Federal requirements that must be met before incurring costs, it should contact the appropriate regional office.

D. Request for LONP

Before an applicant may incur costs for a project not covered by automatic pre-award authority, it must first submit a written request for an LONP to the appropriate regional office. This written request must include a description of the project for which pre-award authority is desired and a justification for the request.

XVII. FTA HOME PAGE ON THE INTERNET

FTA provides extended customer service by making available transit information on the FTA website, including this Apportionment Notice. Also posted on the website are FTA program Circulars: C9030.1C, Urbanized Area Formula Program: Grant Application Instructions, dated October 1, 1998; C9040.1E, Nonurbanized Area Formula Program Guidance and Grant Application Instructions, dated October 1, 1998; C9070.1E, The Elderly and Persons with Disabilities Program Guidance and Application Instructions, dated October 1, 1998; C9300.1A, Capital Program: Grant Application Instructions, dated October 1, 1998; 4220.1D, Third Party Contracting Requirements, dated April 15, 1996; C5010.1C, Grant Management Guidelines, dated October 1, 1998; and C8100.1B, Program Guidance and Application Instructions for Metropolitan Planning Program Grants, dated October 25, 1996. The FY 2001 Annual List of Certifications and Assurances is also posted on the FTA website. Other documents on the FTA website of particular interest to public transit providers and users include the 1998 Statistical Summaries of FTA Grant Assistance Programs, and the National Transit Database Profiles.

FTA circulars are listed at:[<http://www.fta.dot.gov/library/admin/checklist/circulars.htm>]. Other guidance of interest to Grantees can be found at: [<http://www.fta.dot.gov/grantees/index.html>].

Grantees should check the FTA website frequently to keep up to date on new postings.

XVIII. FTA FISCAL YEAR 2001 ANNUAL LIST OF CERTIFICATIONS AND ASSURANCES

The "Fiscal Year 2001 Annual List of Certifications and Assurances" is published in conjunction with this notice. It appears as a separate Part of the Federal Register on the same date whenever possible. The FY 2001 list contains several changes to

the previous year's Federal Register publication. As in previous years, the grant applicant should certify electronically. Under certain circumstances the applicant may enter its PIN number in lieu of an electronic signature provided by its attorney, provided the applicant has on file the current affirmation of its attorney in writing dated this federal fiscal year. The applicant is advised to contact the appropriate FTA Regional Office for electronic procedure information.

The "Fiscal Year 2001 Annual List of Certifications and Assurances" is accessible on the Internet at [<http://www.fta.dot.gov/library/legal/ca.htm>]. Any questions regarding this document may be addressed to the appropriate Regional Office.

XIX. GRANT APPLICATION PROCEDURES

All applications for FTA funds should be submitted to the appropriate FTA Regional Office. FTA utilizes an electronic grant application system known as TEAM and all applications should be filed electronically. FTA has provided exceptions to the requirement for electronic filing of applications for certain new, non-traditional grantees in the Job Access and Reverse Commute and Over-the-Road Bus Accessibility programs as well as to a few grantees that have not successfully connected to or accessed TEAM.

With FY 2001, FTA is establishing a 90-day goal for processing and approving all capital, planning and operating grants, including the section 5307 Urbanized Area Formula Program, section 5309 Fixed Guideway Modernization Program, the New Starts and Bus Programs, the section 5310 Elderly and Persons with Disabilities Program, the section 5311 Nonurbanized Area Formula Program, the Job Access and Reverse Commute Program, the Over-the-Road Bus Accessibility Program, section 5303 Metropolitan Planning Program, and section 5313(b) State Planning and Research Program. The 90-day processing time begins with the receipt of a complete application by the Regional Office. In order for an application to be considered complete, it must meet the following requirements: all projects must be contained in an approved STIP, all environmental findings must be made by FTA, there must be an adequate project description, local share must be secure, all required civil rights submissions must have been submitted, and certifications and assurances must be properly submitted. Once an application is complete, the FTA Regional Office will assign a project number and submit the application to the Department of Labor for a certification under section 5333(b). The FTA circulars referenced below contain more information regarding application contents and complete applications.

Formula and Capital Investment grant applications should be prepared in conformance with the following FTA Circulars: Program

Guidance and Application Instructions for Metropolitan Planning Program Grants - C8100.1B, October 25, 1996; Urbanized Area Formula Program: Grant Application Instructions - C9030.1C, October 1, 1998; Nonurbanized Area Formula Program Guidance and Grant Application Instructions - C9040.1E, October 1, 1998; Section 5310 Elderly and Persons with Disabilities Program Guidance and Application Instructions C9070.1E, October 1, 1998; and Section 5309 Capital Program: Grant Application Instructions - C9300.1A, October 1, 1998. Guidance on preparation of applications for State Planning and Research funds may be obtained from each FTA Regional Office. Copies of circulars are available from FTA Regional Offices as well as the FTA website.

Applications for grants containing transferred FHWA funds (STP, CMAQ, and others) should be prepared in the same manner as for funds under the program to which they are being transferred. The application for flexible funds needs to specifically indicate the type and amount of flexible funds being transferred to FTA. The application should also describe which items are being funded with transferred funds, consistent with the Statewide Transportation Improvement Program (STIP).

Issued on:

Nuria I. Fernandez
Acting Administrator